PUBLIC SERVICE COMMISSION OF WISCONSIN

Minutes and Informal Instructions of the Open Meeting of Thursday, May 24, 2018

The Public Service Commission of Wisconsin (Commission) met as noticed. Present were Chairperson Roberts, Commissioner Huebsch and Commissioner Zipperer.

Minutes

The Commission approved the minutes of the open meeting of May 17, 2018.

1330-AE-103 - Application of Consolidated Water Power Company and Verso Corporation for Approval of an Affiliated Interest Agreement

The Commission approved the Notice of Investigation and directed it to be signed by the Secretary to the Commission.

4910-CW-102 - Application of the Village of Radisson, as a Water Public Utility, for Authority to Construct a New Elevated Water Storage Tank in the Village of Radisson, Sawyer County, Wisconsin

The Commission approved the Notice of Investigation and directed it to be signed by the Secretary to the Commission.

5820-CW-104 - Application of Superior Water, Light and Power Company as a Water Public Utility, for Authority to Construct a Water Treatment Plant Intermediate Overflow in the City of Superior, Douglas County, Wisconsin

The Commission approved the Notice of Investigation and directed it to be signed by the Secretary to the Commission.

200-WR-102 - Application of Applewood Hill Water Utility, Dane County, Wisconsin, as a Water Public Utility, for Authority to Adjust Water Rates

The Commission approved the Notice of Proceeding and directed it to be signed by the Secretary to the Commission.

5-AF-101 - Accounting Treatment of the Impacts Resulting from the Passage of the 2017 Tax Reform Bill H.R.1

The Commission directed that Commission staff amend the draft Order and revise Appendices A, P and S, to direct Wisconsin Public Service Corporation's electric utility (WPSC-Electric) to apply 40 percent, rather than 80 percent, of the estimated annual savings from the income statement component to WPSC-Electric's Crane Creek, DePere Energy Center, and Fox Energy

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deferrals. WPSC-Electric shall issue the remaining 60 percent, rather than 20 percent, of WPSC-Electric's estimate for the first half of the annual reduction in the revenue requirement as a one-time bill credits to customers, which shall appear on customer bills issued no later than July 31, 2018. Further, the Commission directed that the remaining portion of WPSC-Electric's estimated 60 percent of the annual savings be returned to customers as ongoing, monthly volumetric bill credits for usage for the months that follow the issuance of the bill with the one-time bill credit, subject to true-up in this docket or in a future rate case. The Commission directed that the ongoing volumetric bill credits start for service consumed, as of July 1, 2018. The volumetric credit will start appearing on customers' monthly bills on the bill immediately following the bill containing the one-time bill credit. The volumetric, monthly credit shall continue for WPSC-Electric customers until further Commission action in this docket or Commission action in a future rate case.

As revised, the Commission approved the Order and directed it be signed by the Secretary to the Commission.

1-AC-250 - In the Matter of the Proposed Revision of Wis. Admin. Code ch. PSC 114 as Wisconsin State Electrical Code, Volume I

The Commission approved a draft Order Adopting Proposed Rules and the associated report to the Legislature concerning the adoption of the 2017 Edition of the National Electric Safety Code into Volume 1 of the State Electrical Code, and directed Commission staff to make the necessary filings. If neither the Governor's office nor any legislative committee requests changes to the rule, Commission staff is directed to prepare an Order Adopting Final Rules and to make the required filings without further Commission action.

6630-AF-100 - Application Requesting that the Public Service Commission of Wisconsin direct Wisconsin Electric Power Company and its Parent, WEC Energy Group Inc., to Defer for the Benefit of Customers the Net Savings Arising from their Voluntary and Premature Retirement of Pleasant Prairie Power Plant

The Commission did not grant the Joint Petitioners' request to open a docket regarding the deferral of savings related to the retirement of the Pleasant Prairie Power Plant.

The Commission directed the Division of Energy Regulation to draft an order consistent with its discussion.

5820-SB-135 - Application of Superior Water, Light and Power Company to Validate the Issuance of 6,000 Shares of Common Stock and for Authority to Issue and Have Outstanding up to 100,000 Shares of Common Stock

The Commission validated Superior Water, Light and Power Company (SWLP) issuance of 6,000 shares of common stock to ALLETE, Inc., but denied SWLP's request to have outstanding

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up to an additional 100,000 shares of common stock in light of SWLP's failure to obtain preauthorization for the initial 6,000 shares. The Commission also took formal action relating to SWLP's failure to obtain a Certificate of Authority prior to issuing securities, directing that a letter of reprimand be issued to SWLP for this non-compliance and directing SWLP to meet with Commission staff to discuss the Commission's expectations and concerns going forward. A formal warning will also be issued in the letter of reprimand, stating that formal action will be considered for any future noncompliance.

The Commission directed the Division of Energy Regulation draft an order and letter of reprimand consistent with its discussion.

The Commission adjourned the meeting at 11:05 a.m.

Steffany Powell Coker

Secretary to the Commission

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